

Appendix 2-9

Mountain Coal Company

**Application
for
Phase II Bond Release**

Gordon Creek No. 2/7/8 Mines

C/007/016

FILE IN: Expandable 07272006
Refer to Record No. CCC4
in C0070016 2006 INCOMING
for additional information

July 2006

RECEIVED

JUL 28 2006

DIV. OF OIL, GAS & MINING

Public Notice

****PUBLIC NOTICE****

Application for Phase II Bond Release

**Gordon Creek No. 2/7/8 Mines
Permit #ACT/007/016**

**Mountain Coal Company, L.L.C.
P.O. Box 591
Somerset, Colorado 81434**

Mountain Coal Company, P. O. Box 591, Somerset, Colorado, 81434, a wholly owned subsidiary of Arch Western Resources, L.L.C., has filed with the Division of Oil, Gas & Mining an application for partial release of the reclamation performance bond for it's Gordon Creek No. 2/7/8 Mines.

The company has completed Phase II of the approved reclamation plan for the Gordon Creek No. 2/7/8 Mines. This is based upon the establishment of revegetation and sediment control in accordance with the approved plan. There were approximately 34.88 acres of disturbed area associated with this operation. Of this, approximately 1.63 acres were associated with the new sediment ponds (to be reclaimed at a later time) and 0.73 acres were associated with the Sweet's Canyon Pond, which has been released. Phase II Bond Release is requested on all reclaimed area, exclusive of the above pond areas, or 32.52 acres.

The present bond posted for this site is a surety bond in the amount of \$256,578.00. Mountain Coal Company is applying for release of an additional \$146,578.00.

The Gordon Creek No. 2/7/8 Mines are located in Bryner Canyon, approximately 20 road miles northwest of Price, Utah. The permit area is described as follows:

Township 13 South, Range 8 East, SLBM, Utah
Sec. 17: SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$
Sec. 18: N $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$,
SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$

The permit area is located on the Jump Creek, Utah, U. S. Geological Survey 7.5 minute quadrangle map.

Federal Coal Leases were #U-53159 and #U-8319.

The Gordon Creek No. 2/7/8 Mines have been operated and reclaimed under permit ACT/007/016. The existing permit was renewed and approved on August 28, 2004. The Gordon Creek No. 2/7/8 Mines were closed in November, 1990. Site demolition was completed in 1991. Backfilling and grading started in 1995 and finished in August 1997. The majority of the seeding was completed in August 1997 with additional seeding of the regraded area completed in August 1999. Additional regrading was completed in July, 1999. Phase I Bond Release was approved in October 2003. MCC has determined through field study the vegetation meets cover and diversity standards for Phase II Bond Release.

This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1997 and State and Federal regulations promulgated pursuant to said act.

Comments, objections, and/or a request for public hearings or informal conferences concerning this proposal may be made to: State of Utah Department of Natural Resources, Division of Oil, Gas & Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801.

Landowner / Agency Notifications



225 N. 5th Street, Suite 900
Grand Junction, CO 81501
Phone: (970) 263-5130
Fax (970) 263-5162

Helen Marakis
165 East 1st South
Price, Utah 84501

Re: Application for Partial Bond Release
Gordon Creek No. 2/7/8 Mines
ACT/007/016
Carbon County, Utah

Gentlemen:

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Respectfully,

Chris Hansen
Project Manager

cc: Phil Schmidt
Dan Guy
File



225 N. 5th Street, Suite 900
Grand Junction, CO 81501
Phone: (970) 263-5130
Fax (970) 263-5162

Mr. Robert Jewkes
2651 Hiawatha Circle
Salt Lake City, Utah 84108

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Gordon Creek No. 2/7/8 Mines
ACT/007/016
Carbon County, Utah

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Respectfully,

Chris Hansen
Project Manager

cc: Phil Schmidt
Dan Guy
File



225 N. 5th Street, Suite 900
Grand Junction, CO 81501
Phone: (970) 263-5130
Fax (970) 263-5162

Wasatch Coal Company
c/o George N. Cannon Co.
Mtg. Rep.
1322 Chandler Drive
Salt Lake City, Utah 84103

Re: Application for Partial Bond Release
Gordon Creek No. 2/7/8 Mines
ACT/007/016
Carbon County, Utah

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Chris Hansen
Project Manager

cc: Phil Schmidt
Dan Guy
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225 N. 5th Street, Suite 900
Grand Junction, CO 81501
Phone: (970) 263-5130
Fax (970) 263-5162

G. Pete & Betty Frandsen
9267 Tortellini Drive
Sandy, Utah 84070

Re: Application for Partial Bond Release
Gordon Creek No. 2/7/8 Mines
ACT/007/016
Carbon County, Utah

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Dan Guy
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225 N. 5th Street, Suite 900
Grand Junction, CO 81501
Phone: (970) 263-5130
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Helper Associates
178 South Main Street
Helper, Utah 84526

Re: Application for Partial Bond Release
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ACT/007/016
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225 N. 5th Street, Suite 900
Grand Junction, CO 81501
Phone: (970) 263-5130
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Mrs. Agnes Peirce
Rt. 1, Box 143
Price, Utah 84501

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ACT/007/016
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Dan Guy
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Grand Junction, CO 81501
Phone: (970) 263-5130
Fax (970) 263-5162

Calvin K. Jacob & Sons
Partnership
754 S. Cherry Drive
Orem, Utah 84057

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ACT/007/016
Carbon County, Utah

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Grand Junction, CO 81501
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United States of America
Bureau of Land Management
Moab District Office
Price River Resource Area
P.O. Box AB
Price, Utah 84501

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Carbon County Commission
Courthouse Building
Price, Utah 84501

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The company has completed Phase II of the approved reclamation plan for the Gordon Creek No. 2/7/8 Mines. This is based upon the establishment of revegetation and sediment control in accordance with the approved plan. There were approximately 34.88 acres of disturbed area associated with this operation. Of this, approximately 1.63 acres were associated with the new sediment ponds (to be reclaimed at a later time) and 0.73 acres were associated with the Sweet's Canyon Pond, which has been released. Phase II Bond Release is requested on all reclaimed area, exclusive of the above pond areas, or 32.52 acres.

The present bond posted for this site is a surety bond in the amount of \$256,578.00. Mountain Coal Company is applying for release of an additional \$146,578.00.

The Gordon Creek No. 2/7/8 Mines are located in Bryner Canyon, approximately 20 road miles northwest of Price, Utah. The permit area is described as follows:

Township 13 South, Range 8 East, SLBM, Utah

Sec. 17: SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$

Sec. 18: N $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$,
SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$

The permit area is located on the Jump Creek, Utah, U. S. Geological Survey 7.5 minute quadrangle map.

Federal Coal Leases were #U-53159 and #U-8319.

The Gordon Creek No. 2/7/8 Mines have been operated and reclaimed under permit ACT/007/016. The existing permit was renewed and approved on August 28, 2004.

The Gordon Creek No. 2/7/8 Mines were closed in November, 1990. Site demolition was completed in 1991. Backfilling and grading started in 1995 and finished in August 1997. The majority of the seeding was completed in August 1997 with additional seeding of the regraded area completed in August 1999. Additional regrading was completed in July, 1999. Phase I Bond Release was approved in October 2003. MCC has determined through field study the vegetation meets cover and diversity standards for Phase II Bond Release.

This notice is being published to comply with the Surface Mining Control and Reclamation Act of 1997 and State and Federal regulations promulgated pursuant to said act.

A request for public hearings or informal conferences concerning this proposal may be made to: State of Utah Department of Natural Resources, Division of Oil, Gas & Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801.

Respectfully,

Chris Hansen
Project Manager

cc: Phil Schmidt
Dan Guy
File



225 N. 5th Street, Suite 900
Grand Junction, CO 81501
Phone: (970) 263-5130
Fax (970) 263-5162

Mr. Robert Davis
Price River Distribution System
45 West 500 South
Price, Utah 84501

Re: Application for Partial Bond Release
Gordon Creek No. 2/7/8 Mines
ACT/007/016
Carbon County, Utah

Gentlemen:

Mountain Coal Company, P. O. Box 591, Somerset, Colorado, 81434, a subsidiary of Arch Western Bituminous Group, L.L.C., has filed with the Division of Oil, Gas & Mining an application for partial release of the reclamation performance bond for it's Gordon Creek No. 2/7/8 Mines.

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Sec. 17: SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$

Sec. 18: N $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$,
SE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$

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Respectfully,

Chris Hansen
Project Manager

cc: Phil Schmidt
Dan Guy
File

Maps

R. 7 E. R. 8 E.

GORDON CREEK 2/7/8 MINES BOND RELEASE MAP

12

17

18

T.
13
S.

13

County Road

2/7/8

Sediment
Ponds

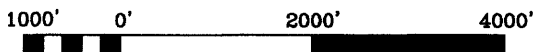
(Not in Phase II Bond Release)

Sweet's Pond

19

20

24



DISTURBED (BONDED) AREA
34.15 ac.



PHASE I BOND RELEASE
APPROVED - 34.15 ac.



PROPOSED FOR PHASE II
BOND RELEASE - 32.52 ac.



FINAL BOND RELEASE APPROVED
0.73 ac.



RIGHT TO SURFACE USE
BY MOUNTAIN COAL COMPANY
(PERMIT AREA) - 170 ac.

R. 7 E. R. 8 E.

GORDON CREEK 2/7/8 MINES SEEDING DATES

12

17

T.
13
S.

13

18

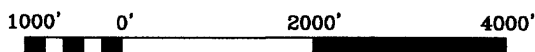
County Road

Sweet's Pond
Final Bond Release
Approved

19

20

24



REGRADED/RESEEDED
08/1999 - 10.06 ac.



DISTURBED (BONDED) AREA
SEEDED 8/1995 - 8/1997
34.15 ac.



RIGHT TO SURFACE USE
BY MOUNTAIN COAL COMPANY
(PERMIT AREA) - 170 ac.

**Notarized Statement of Completion of Reclamation
In Accordance with R645- Rules**

Arch Western Bituminous Group
Gordon Creek Mine
C/007/006

Phase II Bond Release on 32.52 acres of land within the Gordon Creek 2, 7, and 8 Mine Permit area.

I herby certify to the best of my knowledge and belief all the information contained in this request is true and correct and that all applicable reclamation activities have been accomplished in accordance with the requirements of the Act, the regulatory program, and approved Gordon Creek 2, 7, and 8 Mining and Reclamation Plan.

Gene E. Di Claudio
Print Name

G E Di Claudio President AWBG, 7-20-06
Sign Name, Position, Date

Subscribed and sworn to before me this 20th day of July, 2006

F. Jean Morris
Notary Public

My Commision Expires: 5/13, 2006

Attest: State of Colorado

County of Mesa

